

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: DTE-RR-53 (Gas)

- A. Could the numbers provided in response to DTE 1-22 be used to derive a ratio to allocate the bad debt between gas costs and non-gas costs? If so, provide a calculation, (i.e. a bad debt allocation) just like the one in DTE 5-4, using the allocators resulting from the gas and non-gas normalized revenues shown on DTE 1-22.
- B. Regarding DTE 1-22, please provide a workpaper showing the normalized revenues for the test year for gas and for non-gas.

Response:

- A. No, as explained by Mr. Collin in transcript of September 10, 2002, pages 1792-93, the numbers on DTE 1-22 reflect the normalized revenues for the test year, divided into the two components, gas and non-gas. They should not be used to derive a ratio to allocate bad debt expense because the normalized revenues are for the test year, an historical period. A better ratio for bad debt expense in the future is the "target revenues" used by Mr. Harrison in his accounting cost of service study computed by individual rate class (refer to response DTE-RR-52 (Gas)).
- B. Attachment 1, DTE-RR-53 contains the workpaper referenced by Mr. Collin that supports the normalized revenue amounts discussed in response to DTE 1-22.

Person Responsible: Mark H. Collin

Fitchburg Gas & Electric Light Company
Support for DTE-1-22

<u>Account Description</u>	<u>Amount (DR) CR</u>	<u>Gas</u>	<u>Non-Gas</u>
Weather Normalization Per MAC	\$ 44,937	\$ (2,553)	\$ 47,490
Unbilled Revenue Per MAC	137,958	137,958	-
Firm Revenues	22,592,788	16,472,484	6,120,304
Accrued Revenue - Gas	-	-	-
Accrued Revenue - LDAC-TCF	(90,364)	-	(90,364)
Accrued Revenue - LDAC-RAF	(9,907)	-	(9,907)
Accrued Revenue - LDAC-EAC	(62,677)	-	(62,677)
Accrued Revenue - LDAC-ITMC	477,299	-	477,299
Accrued Revenue - LDAC-UCF	(78,944)	-	(78,944)
Accrued Revenue - CGA-GAF	(1,949,951)	(1,949,951)	-
Accrued Revenue - CGA-LPLNG	-	-	-
Accrued Revenue - CGA-DAFP	(3,795)	(3,795)	-
Accrued Revenue - CGA-PRO	(32,406)	(32,406)	-
Accrued Revenue - CGA-LPLHN-High Load	(16,184)	(16,184)	-
Accrued Revenue - CGA-LPLHN-Low load	(26,170)	(26,170)	-
Accrued Revenue - CGA-Bad Debt	271,854	271,854	-
Accrued Revenue - RAC	-	-	-
Accrued Revenue - ECS	5,180	-	5,180
Accrued Revenue - Transition costs - LDAC	-	-	-
Accrued Revenue - ITMC	-	-	-
Accrued Revenue - CGA - IFC	(65,192)	(65,192)	-
Accrued Revenue - BPCF LDAC	(21,546)	-	(21,546)
contra Flow Thru Int Income/Expense	-	-	-
Not Billed revenue	-	-	-
Unbilled Revenue	(98,543)	-	(98,543)
Total Normalized Revenues	<u>\$ 21,074,337</u>	<u>\$ 14,786,045</u>	<u>\$ 6,288,292</u>